

9 May 1968

MEMORANDUM FOR THE RECORD

SUBJECT: Funding - Overseas Activities of Voluntary Organizations

1. S. 2986 extends Public Law 480, the Agricultural Trade Development and Assistance Act, for two years. Of specific interest is a Committee amendment, adopted by the Senate, which broadens the purposes for which foreign currencies can be used.

2. Specifically, 2 percentum of P.L. 480 foreign currency sales in a country is to be used to assist international educational and cultural exchange and to strengthen the resources of American schools, colleges, universities, and other public and nonprofit private educational agencies for international studies and research. The specific language is set forth in Section 3 of S. 2986. The bill is now pending before the House Agriculture and Forestry Committee.

3. This may be a useful method to pursue for funding the overseas activities of voluntary organizations and may be profitably considered in conjunction with the findings of the so-called Rusk Committee as well as the two major activities which have been excluded from consideration by the Rusk Committee.



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Attachments:

Act

Report

Congressional Record Debate (3 April 1968)

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April 3, 1968

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It is worthy to note that the curator of numismatics of the Smithsonian has stated that the acquisition of the Lilly coins would make the Smithsonian's collection second to none in the world. Professional numismatists are of the opinion that the Lilly collection could never be reassembled and that its dissolution would be most unfortunate.

In its report, the Treasury Department stated that a 30-day delivery date would seem essential in order to avoid the possibility of the estate's being able to retain the collection for a prolonged period and deliver it at some indefinite future date and still claim the credit.

The committee, after study of the facts in this matter, believes that the acquisition of this coin collection is one that should be accomplished. If this coin collection, as set forth, is second to none in the world, this acquisition by the Smithsonian Institution for display to the public is most desirable. Since the value of the coin collection is given as a tax credit to the estate of Mr. Lilly, the Government is in effect receiving the value of the coin collection in return for the tax credit, which means in dollars and cents that there is a loss in revenue, but at the same time, an acquisition by the United States in approximately the same amount. The committee, therefore, strongly recommends that the bill S. 2986 be considered favorably.

EXTENSION OF PUBLIC LAW 480

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1048, S. 2986.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2986) to extend Public Law 480, 83d Congress, for 2 years, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments, on page 1, line 6, after "December 31," strike out "1970" and insert "1971"; and on page 2, line 11, after the word "finance" insert "with not less than 2 per centum of the total sales proceeds received each year in each country"; so as to make the bill read:

S. 2986

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 409 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by striking out "December 31, 1968" and inserting in lieu thereof "December 31, 1971."

Sec. 2. (a) Section 104(b) of such Act is amended by inserting before the semicolon at the end thereof the following: "Not less than 5 per centum of the total sales proceeds received each year shall, if requested by the foreign country, be used for voluntary programs to control population growth."

(b) Section 109(a) of such Act is amended by striking out the word "and" at the end of clauses (7) and (8), changing the period at the end of such subsection to a semicolon, and adding the following: "(9) carrying out voluntary programs to control population growth."

Sec. 3. Section 101(b) (2) of such Act is amended to read as follows:

2. finance with not less than 2 per centum of the total sales proceeds received each year in each country activities to assist in educational and cultural exchange

and to provide for the strengthening of the resources of American schools, colleges, universities, and other public and nonprofit private educational agencies for international studies and research under the programs authorized by title VI of the National Defense Education Act, the Mutual Educational and Cultural Exchange Act of 1961, the International Education Act of 1966, the Higher Education Act of 1965, the Elementary and Secondary Education Act of 1965, the National Foundation on the Arts and the Humanities Act of 1965, and the Public Broadcasting Act of 1967."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments are considered and agreed to en bloc.

Mr. ELLENDER. Mr. President, this bill, with the committee amendments, would extend Public Law 480, 83d Congress, for 3 years, with added emphasis on family planning and educational exchange.

Public Law 480 was enacted July 10, 1954. Its purpose at that time was to dispose of surplus agricultural commodities and provide aid to foreign countries that needed our help. It was enacted on an experimental basis for 3 years. It has been extended from time to time, and in 1966 was substantially revised, the disposal of surplus agricultural commodities no longer being specified as a purpose.

The program has worked well and the committee received no objections to enactment of the pending bill. Hearings were held on March 13, 14, and 15, and the bill was reported by unanimous vote of the committee.

From July 10, 1954, when Public Law 480 was approved through December 31, 1967, agreements have been signed for the sale of commodities with a market value of \$12.4 billion—\$18 billion Commodity Credit Corporation cost. Sales proceeds are used for economic and other aid, loans, and other purposes. Dollar receipts by the United States totaled just under \$1.7 billion through June 30, 1967.

Donations under title II through December 31, 1967, have totaled \$5.7 billion, consisting of \$3.1 billion through voluntary relief agencies and \$2.6 billion on a government-to-government basis or through the world food program.

The United States has been very generous under this program; too generous. A greater effort should be made to get other nations to provide their fair share of aid to needy countries.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 1066), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

COMMITTEE CONSIDERATION

The committee held hearings on March 13, 14, and 15 on all of the bills before it on this matter—S. 2891, S. 2986, and S. 3069; and heard all witnesses who desired to be heard. S. 2891 and S. 3069 were simple 3-year extensions of Public Law 480. S. 2986, as introduced, provided for a 2-year extension of Public Law 480 and contained provisions emphasizing the need for population control and mutual educational and cultural exchange activities. The hearings showed that

the program has been successful and there was little sentiment for any fundamental change in it. Suggested changes were made and were fully considered by the committee.

In addition to matters raised at the hearings, the committee gave some consideration to the question of port charges on shipments. It was advised that in the case of food donated under title II of Public Law 480 for distribution to needy people abroad through American voluntary agencies, and directly to governments for emergency relief and child feeding programs, the United States pays the ocean shipping costs. The United States has been paying normal shipping billings in which certain port charges have been hidden in the billing. In some cases the recipient governments were obligated to pay these port charges but it has not been possible to identify these charges and they have not been paying them. The Agency for International Development now proposes to negotiate with the 16 major recipient countries a flat 10-percent payment of the total shipping charges which represents the average part of the ocean freight billing attributable to port charges. The committee felt that this proposal should be pursued assiduously.

Another matter brought to the committee's attention other than through the hearings was a suggestion by Senator Williams of Delaware for the inclusion of a provision somewhat similar to section 9 of S. 2502. This would provide for the sale of surplus foreign currencies to U.S. tourists at a discount. It would be available only if the tourist confined his travel to countries where the United States had surplus foreign currencies, plus the travel necessary to reach such countries. The purpose of this provision would be to alleviate the balance-of-payments problem without restricting our citizens' traditional right to travel freely. The committee felt that the administrators of the program should make every effort to achieve this objective. They have the authority now to do so, and no further authority is needed. The committee considered a mandatory direction to the administrators on this point, but realizing the difficulties involved in obtaining the host country's approval, possible effects on the host country's currency, and other problems involved in it, the committee decided not to make it a mandatory requirement. While not mandatory, it should be an objective of the program administrators.

GENERAL BACKGROUND

Public Law 480, 83d Congress, was enacted in 1954 as the Agricultural Trade Development and Assistance Act of 1954. Its purpose was to use agricultural commodities which were surplus to our needs to provide aid to friendly countries, promote trade, and advance our foreign policy interests. It has been amended and extended many times through the years. In 1966 it was substantially revised by the Food-for-Peace Act of 1966. At that time our stocks of agricultural commodities were greatly reduced, and it was recognized that the program was no longer being used as a means of disposing usefully of surplus commodities but was still needed as a means of helping other countries.

Public Law 480 consists of four titles.

Title I provides for the sale of agricultural commodities for foreign currencies or on credit for dollars. Foreign currencies derived from such sales are used for economic and other aid to the host country, U.S. costs in the host country, and other purposes agreed upon by the two countries. Where sales are for dollars on long-term credit, the purchaser is able to sell the commodities and use the money received for economic development within the country pending payment to the United States.

Title II provides for donations of agricultural commodities to meet urgent relief requirements, combat malnutrition, or promote economic development.

Title III provides for barter.

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Title IV contains definitions and general provisions.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to extend Public Law 480, 83d Congress, for 3 years, and for other purposes."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, there is a nomination at the desk which was reported unanimously by the Committee on the Judiciary earlier today and which has been cleared on both sides. I ask unanimous consent that the Senate go into executive session to consider the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF MISSISSIPPI

The bill clerk read the nomination of William C. Keady, of Mississippi, to be U.S. district judge for the northern district of Mississippi.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. I ask that the President be immediately notified of the confirmation of this nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER laid before the Senate a message from the President of the United States submitting the nomination of Bernard Norwood, of New Jersey, to be a member of the U.S. Tariff Commission, which was referred to the Committee on Finance.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT JOHNSON ASKS NATION TO JOIN TOGETHER IN UNITED PURPOSE BEFORE NAB IN CHICAGO

Mr. SMATHERS. Mr. President, President Johnson asked the National Association of Broadcasters in Chicago to help him promote unity in America during a time of challenge.

America faces deep divisions over problems at home and over the war in Vietnam. We are daily told of the cleavage between rich and poor, black and white, hawk and dove.

But the problems we face as a Nation are too complex, the challenges too great, the issues too important, for America to face them with a house divided.

President Johnson reminded the National Association of Broadcasters that they must use their enormous power to help this Nation face the challenges of the decade united. As the President told them:

Where there is great power, there must also be a great responsibility. This is true for broadcasters just as it is true for Presidents.

The mass media—which have the potential to tie our Nation together—must show the works of progress as well as the problems, stress our basic unity of purpose as well as the partisan divisions, explain our accomplishments as well as our challenges.

President Johnson has made the supreme sacrifice to end divisiveness at home by taking the office of President out of the political arena.

The broadcasting industry and the people of America must make an equally great effort to heal the wounds in our body politic.

On our efforts—and our success—rests the future well-being of our country.

I ask unanimous consent that the President's speech to the National Association of Broadcasters in Chicago be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT BEFORE THE NATIONAL ASSOCIATION OF BROADCASTERS, CHICAGO, ILL., APRIL 1, 1968

Mayor Daley, Mr. Wasilewski, ladies and gentlemen:

Some of you might have thought from what I said last night that I had been taking elocution lessons from Lowell Thomas. One of my aides said this morning: "Things are really getting confused around Washington, Mr. President."

I said, "How is that?"

He said, "It looks to me like you are going to the wrong convention in Chicago."

I said, "Well, what you all forgot was that it is April Fool."

Once again we are entering the period of national festivity which Henry Adams called "the dance of democracy." At its best, that can be a time of debate and enlightenment. At its worst, it can be a period of frenzy. But always it is a time when emotion threatens to substitute for reason. Yet the basic hope of a democracy is that somehow—amid all the frenzy and all the emotion—in the end, reason will prevail. Reason just must pre-

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TRANSMITTAL SLIP		DATE 15 May 1968
TO: George		
ROOM NO.	BUILDING	
REMARKS:		
<p>This has a bearing on the funding of non-Governmental activities overseas and you might want to fold it into your papers on our meeting with [] as well as the Rusk report. Perhaps we should send this on to Larry Houston and [] also.</p>		
<p style="text-align: right;">LLM</p> <p style="text-align: right;"><i>29 April 1971</i> <i>file - Rusk's</i> <i>but send thru</i> <i>560 info</i></p>		
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ROOM NO.	BUILDING	EXTENSION
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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

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OFFICER'S
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COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Mr. John M. Maury
Legislative Counsel

2. GLC

3. JGO

5. File

Handwritten initials and signatures in the OFFICER'S INITIALS column.